

**RHODE ISLAND DEPARTMENT OF  
ELEMENTARY AND SECONDARY EDUCATION  
WILLIAM M. DAVIES JR.,  
CAREER AND TECHNICAL HIGH SCHOOL  
PERFORMANCE AUDIT  
FEBRUARY 2004**

**DEPARTMENT OF ADMINISTRATION  
BUREAU OF AUDITS  
ONE CAPITOL HILL  
PROVIDENCE, RI 02908-5889**



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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R.I. DEPARTMENT OF ELEMENTARY & SECONDARY EDUCATION  
WILLIAM M. DAVIES, JR., CAREER AND TECHNICAL HIGH SCHOOL  
PERFORMANCE AUDIT  
FISCAL YEAR ENDED JUNE 30, 2002 THROUGH JULY 2003

**EXECUTIVE SUMMARY**

Management needs to ensure that it complies with the Rhode Island General Laws regarding the filing of its board meeting minutes and the disclosure of government consultants with the Secretary of State and the entering into lease agreements for the rental of the school.

Management also needs to ensure that it complies with the policies and procedures issued in the Department of Administration's Procedural Handbook for authorized agents and out-of-state travel.

Leases should be reviewed for content and to ensure the lessee's compliance with the contractual provisions.

The Professional Development Academy is a self-motivated, collegial, and voluntary process of learning relevant knowledge, skills and attitude and management needs to ensure employee compliance with these policies and procedures.

The information literacy framework adopted by the Department of Elementary and Secondary Education has specific guidelines for library staffing and spacing needs that are difficult for management to implement due to budgetary limitations.

WILLIAM M. DAVIES, JR., CAREER AND TECHNICAL HIGH SCHOOL  
PERFORMANCE AUDIT  
FISCAL YEAR ENDED JUNE 30, 2002 THROUGH JULY 2003

**TABLE OF CONTENTS**

	<u>Page</u>
<b>EXECUTIVE SUMMARY .....</b>	<b>i</b>
<b>LETTER OF TRANSMITTAL .....</b>	<b>1</b>
<b>INTRODUCTION</b>	
Objectives, Scope, and Methodology .....	2
Background .....	2
Noteworthy Achievements .....	3
<b>STATUS OF PRIOR AUDIT RECOMMENDATIONS .....</b>	<b>4</b>
<b>CURRENT YEAR FINDINGS AND RECOMMENDATIONS</b>	
Board Minutes.....	6
Authorized Agents .....	6
Out-of-State Travel .....	7
Purchasing .....	7
Leases	
Facility Use Agreements .....	7
Business Partnership Agreements, Satellite Training Center Agreements .....	8
Inventory and Property Management .....	9
Disclosure of State Government Consultants .....	9
Professional Development Academy .....	10
Professional Development Courses .....	10
Video Training and Book Clubs .....	10
The School Based Management Committee .....	11
Library and Media Services .....	11
Student Activities Fund .....	12
Statement of Cash Receipts and Disbursements –	
Fiscal Years Ended June 30, 2002, 2001, 2000, 1999, and 1998 .....	13
<b>MANAGEMENT’S RESPONSE TO FINDINGS AND RECOMMENDATIONS .....</b>	<b>17</b>



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February 25, 2004

Mr. Peter McWalters, Commissioner  
R.I. Department of Elem. & Sec. Education  
255 Westminster Street  
Providence, RI 02903

Mr. Domenic M. Mitchrone, Chairman  
Board of Trustees  
William M. Davies, Jr., Career & Tech H S  
50 Jenckes Hill Road  
Lincoln, RI 02865

Dear Commissioner McWalters and Mr. Mitchrone:

We have completed an audit of the Rhode Island Department of Elementary & Secondary Education, William M. Davies, Jr., Career and Technical High School. Our audit was conducted in accordance with Sections 35-7-3 and 35-7-4 of the Rhode Island General Laws.

The findings and recommendations included herein have been discussed with management and we have considered their comments in the preparation of the report. Management's response to our recommendations is included in this report.

In accordance with Section 35-7-4 of the Rhode Island General Laws, we will review the status of the Rhode Island Department of Elementary and Secondary Education, William M. Davies, Jr., Career and Technical High School's corrective action plan within six months from the date of issue of this report.

Sincerely,

Frank J. Collaro, Jr., CFE, CGFM  
Acting Chief, Bureau of Audits

FJC:pp

pc: Ms. Victoria Gailliard, Director/Principal

R.I. DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION  
WILLIAM M. DAVIES, JR., CAREER AND TECHNICAL HIGH SCHOOL  
PERFORMANCE AUDIT

**INTRODUCTION**

**Objectives, Scope, and Methodology**

We conducted a performance audit of the Rhode Island Department of Elementary and Secondary Education, (RIDE), William M. Davies, Jr., Career and Technical High School for the Fiscal Year Ended June 30, 2002 and the period July 1, 2002 through June 30, 2003. Our objectives were to determine if the Davies School complied with State laws and regulations and was providing students services in an economical and efficient manner.

Our audit was performed in accordance with the *Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors. In conducting our audit, we evaluated the practices and procedures used by the Davies School in administering its operations. Our purpose was to identify practices and procedures that could be improved or made more efficient, and to identify any significant non-compliance with applicable state or federal laws. To achieve our objectives, we reviewed relevant policies and procedures, state laws and regulations, and applicable federal laws; interviewed responsible personnel; and performed tests of the records and such auditing procedures as we considered necessary in the circumstances.

Findings and recommendations included herein have been discussed with management and we have considered their comments in the preparation of our report. Section 35-7-4 (c) of the Rhode Island General Laws (RIGL) requires the auditee to respond in writing within 60 days to all recommendations made in the report. Management's response to our audit findings and recommendations were submitted on February 20, 2004 and are included in our report.

**Background**

Davies School is a state-operated career and technical high school and operates as an administrative subdivision of the R.I. Department of Elementary and Secondary Education (RIDE). As such, all state appropriations and federal funds are accounted for in the state accounting system and all related transactions are processed through RIDE. The school provides a career and technical education program in occupational areas for youths in Grades 9 through 12 consisting of academic and vocational curricula, up-to-date technology programs to meet varying needs of all students with strong links to business, industry, post-secondary education, and the community.

RIGL 16-45-6(d)(2) defines the powers and duties of the Davies School. The school operates as a local education agency governed by a Board of Trustees. With the exception of those powers and duties reserved to the Director, the Commissioner of Elementary and Secondary Education, and the Board of Regents for Elementary and Secondary Education, the Board of Trustees has the power and duties of a school committee.

WILLIAM M. DAVIES, JR., CAREER AND TECHNICAL HIGH SCHOOL  
PERFORMANCE AUDIT  
FISCAL YEAR ENDED JUNE 30, 2002 THROUGH JULY 2003

**NOTEWORTHY ACHIEVEMENTS**

Our audit, though operational in nature, not only took into account the policies and procedures at the Wm. M. Davies, Jr., Career and Technical High School, but additionally involved discussion and review of the school's approach and course of action to handle the challenges of Federal and State education issues.

The Davies School has in place policies and procedures as well as the foresight to have a long-term plan of action to meet and address both education reform as well as operating under the guidelines of also being a State of Rhode Island agency. Davies School has utilized its resources effectively to achieve its mission as indicated in the most recent publication of Rhode Island's Accountability System performance classifications for every public school and district in the state. With this classification system, schools are held accountable for the success of its students, with the lowest ranking schools even facing funding ramifications. Davies School was most recently classified as "Moderately Performing and Improving", a four-category increase from that of prior years. We commend Davies School for its achievements.

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PERFORMANCE AUDIT

**STATUS OF PRIOR AUDIT RECOMMENDATIONS**

The following audit recommendations were identified in the report prepared by the Bureau of Audits for the fiscal year ended June 30, 1997, issued October 1998.

**Accounting System**

1. RIDE should extend the filing deadline it imposes on state operated schools for filing Form 31. NOTE: Form 31 has been superseded by the In\$ite Report.

Implemented. Davies is currently filing the In\$ite report on a timely basis.

2. RIDE should provide an alternative in-house accounting system for state-operated schools that will accommodate the record keeping requirements necessary to file Form 31.

No longer applicable. RI-SAIL system has allowed the ability to compile financial information to accurately and successfully complete the In\$ite Report without the need of a separate in-house accounting system.

**Education Partnerships**

3. Contracts entered into between Davies and their private industry partners should clearly define liability issues for injuries and lost, stolen, or damaged equipment.

Partially Implemented. See current year recommendation 7.

**Equipment Inventories**

4. A physical inventory of all fixed assets and equipment should be taken annually and a listing indicating property locations should be developed and/or updated.

Partially Implemented. See current year recommendation 9.

**Sales and Service Account**

5. All data on the "Customer Request for Production Work" forms should be thoroughly filled in upon the completion of each job.

Implemented.

### **Inventory Control Over Receipt Books**

6. Maintain an inventory listing of all receipt books that identifies the person who received the book, the number sequence of each book, and the date each book was issued.

Implemented.

7. Account for the sequence of all pre-numbered receipts and reconcile to cash collections.

Implemented.

### **Student Activities Fund**

8. Establish written guidelines to define the types of expenditures which can be paid out of the activity accounts.

Implemented.

9. Voided checks should be clearly identified in the accounting records and should be treated as reductions to individual account expenditures.

Implemented.

10. Post the savings account interest earned on a monthly basis rather than annually.

Implemented.

### **Cafeteria**

11. A formal Imprest Cash drawer should be established to accommodate the school's cafeteria.

Implemented.

12. Discontinue the present practice of borrowing cash from the vending machine to establish cash change funds.

Implemented.



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**CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

**Board Minutes**

RIGL 42-46-7 requires that all public bodies keep written minutes of all their meetings. The minutes shall be public records and shall include but not be limited to date, time and place of meeting, members present or absent, a record of votes taken, and any other relevant information. The minutes shall be available to the public within thirty-five days of the meeting or at the next regularly scheduled meeting whichever is earlier. Unofficial records are to be maintained at the Davies School, with official records filed with the Rhode Island Secretary of State.

Our review disclosed that the Board meets monthly and minutes are available for review at the school, but minutes were not filed with the Secretary of State.

**Recommendation**

1. The Board of Trustees should comply with RIGL 42-46-7.

**Management's Response:** Accepted

**Authorized Agents**

The Davies School still has a former Board of Trustee member, who resigned from the position as Board Chairman in January of 2003, as an authorized agent of the school. This has resulted in a person no longer having a position of authority at the Davies School still having the vested ability to question the legality and propriety of all expenditure documents related to the activities of the Davies School. Section A-6 of the Department of Administration's Procedural Handbook requires that an entity's director notify the Controller, by letter, of the cancellation of appointment of the authorized agent, setting forth the effective date of cancellation. The resignation of the chairman requires a replacement, and the effective date of the new authorized agent appointment should be in agreement with the termination date of the cancellation of the previous chairman. A new Form A-30 should be sent to the Controller designating the new authorized agent and the respective documents and/or accounts the agent is authorized to approve.

**Recommendation**

2. Comply with Section A-6 of the Department of Administration's Procedural Handbook regarding the notification of changes in authorized agents.

**Management's Response:** Accepted

## **Out-of-State Travel**

An examination of out-of-state travel expenses at the Davies School revealed unallowable expenses (i.e., movie charges, room service, and transportation/taxi charges with no receipt) being reimbursed. A-47 Travel Requests are not being submitted to the State Controller's Office within 21 days of initial travel and Travel Expense Vouchers are not being completed within 5 business days upon return of the employee as required by Section A-22 of the Department of Administration's Procedural Handbook.

### **Recommendation**

3. Comply with the policies and procedures instituted within Section A-22 of the Department of Administration's Procedural Handbook.

**Management's Response:** Accepted

## **Purchasing**

Purchasing functions at the Davies School were reviewed and it was determined that a significant number of purchase orders could be reduced by utilizing blanket purchase orders for the payment of services of a similar nature in accordance with RIGL 37-2.

### **Recommendation**

4. Consider using blanket purchase orders for non-contracted expenditures of a similar nature in accordance with RIGL 37-2.

**Management's Response:** Accepted

## **Leases**

**Facility Use Agreements:** Facility use agreement leases are used for the rental of classroom space or the cafetorium (as the Davies cafeteria/auditorium is called) on an event-by-event basis as opposed to a specific time period basis (Month-to-Month or Year-to-Year). Leases entered into by the Davies School Administration revealed that the rental of state-owned facilities at the school occurred without the input and approval of the State Properties Committee, Director of Administration as to substance, and the Attorney General as to form, in accordance with RIGL 42-20-8.

### **Recommendation**

5. Submit lease agreements for approval with both the Attorney General and the Director of Administration in accordance with RIGL 42-20-8.

**Management's Response:** Accepted

**Business Partnership Agreements and Satellite Training Agreements:** Under a Business Partnership Agreement, a business company maintains and staffs an on-site training center at Davies in order to develop a training program for both students and company employees. The company provides the school itself with services and can utilize the center to handle overflow work from the company's clients. The company provides and pays for its own separate alarm and phone system, as well as paying for janitorial services provided by the Davies maintenance staff. The term of this agreement is for a specific time period and must be renewed.

A Satellite Training Agreement is an agreement in which Davies allows a company permission to place equipment in the Davies School for the purpose of training individuals in the proper use of the equipment. In return, Davies grants the company the right to provide company representatives and trainees access to the equipment during normal business hours at no cost. The company retains ownership of the equipment. In a Satellite Training Center Agreement, the agreement will commence upon the execution by both parties and will continue until terminated by either party with at least thirty days notice.

As a provision under each of these types of agreement entities entered into with the Davies School, each party agrees to maintain insurance in a manner sufficient to cover its liability. Most of the agreements for the use of equipment by the Davies School take the form of a Satellite Training Center Agreement (STC). The owner of the equipment used under the satellite training center agreement agrees to include the value of the equipment in the property insurance. Our examination of the satellite training agreements and business partnership agreements revealed that insurance information for the businesses and organizations in partnership with Davies were not kept current, and some contracts did not have listing or associated monetary amounts of the equipment that is to be insured. Also, details with business partners do not identify which party is to be held liable for any injuries to business or organizational staff while on Davies' grounds.

### **Recommendations**

6. Adhere to the provisions of the various facility use, business partnership, and satellite training center agreements between outside organizations and the school.

**Management's Response:** Accepted

7. Obtain and maintain accurate, appropriate, and timely insurance information on those entities under contract.

**Management's Response:** Accepted

## **Inventory and Property Management**

The state capitalization policy requires the inventorying of movable equipment having a useful life of more than one year and a basis of \$5,000 or more (\$500 for computer equipment). The amount capitalized is the purchase price of the asset and any costs necessary to prepare the assets for use. Donated assets should be capitalized at their fair market value at the time of acquisition.

We reviewed the inventory and property records of the Davies School and noted that there is no current comprehensive listing of its fixed assets. The most current listing contains computers and other electronic equipment. No furniture, fixtures, or other office or business equipment is listed for identification and safeguarding purposes. Departments and agencies can account for items outside of the state's Fixed Asset Control and Tracking System (F.A.C.T.S) by coordinating the use of this system with the Office of Accounts and Control. Agencies can use a special color departmental bar code label and number sequence to inventory fixed assets under the state threshold.

### **Recommendation**

8. Institute policies and procedures that seek to establish a system to control the proper stewardship over the state's investment in fixed assets.

**Management's Response:** Partially Accepted

## **Disclosure of State Government Consultants**

RIGL 42-90-1 requires all departments and agencies to submit to the Secretary of State, on a quarterly basis, a list containing the name of any person who performed legal, medical, accounting, engineering, or any other professional, technical or consultant services on a contractual basis during the previous quarter and the amount of compensation received by each consultant during that quarter. The Davies School has not submitted quarterly lists to the Secretary of State disclosing the names of those performing consultant work for the school.

### **Recommendation**

9. Comply with the requirements of RIGL 42-90-1.

**Management's Response:** Accepted

## **Professional Development Academy**

The Professional Development Academy at the Davies School is a self-motivated, collegial, and voluntary process of learning relevant knowledge, skills and attitudes. The belief is that high quality professional development enables teachers to move to the next level of expertise and ability. It stimulates staff to raise their understanding of education and strengthen their willingness to make changes that will improve and expand the learning of both staff and students alike. The goal of the Professional Development Academy is to go through professional development and professional education. The staff takes on a central role in fostering improvement and achievement in school. A contracted policy was developed in a memorandum of agreement between Davies School and the Teachers' Association NEARI/NEA.

**Professional Development Courses:** Our review of the forms submitted for approval by the Professional Development Academy (PDA) for professional development credit revealed that they were submitted for approval after an individual had attended the event. This has created an atmosphere in which the policy is not being applied to all eligible employees on a consistent basis.

Our examination also found that many PDA forms failed to indicate the date or agenda of the event; an individual staff member whose self-study program had no submittal of information regarding a description of the course and how the information was beneficial to the individual's professional development and/or curriculum; and that one staff member submitted, was approved, and was credited for the same conference/hearing twice.

### **Recommendation**

10. Management should assure compliance with the policies and procedures instituted by the PDA agreement.

**Management's Response:** Partially Accepted

**Video Training and Book Clubs:** The policy developed by the Davies School contains no criteria for the use and submittal of professional development credits by staff for video training. There is no indication of whether video training needs pre-approval or if a listing of videos available to the staff qualifies as on-campus or off-campus training, with no indication through submitted documentation when the video was viewed.

Our review revealed that there is no criteria involving the procedures necessary to obtain PDA credit for the meetings and the report that is submitted by the group, resulting in much disparity between the form and the format submitted by each book club session. Proper sign-in sheets are not always utilized. Our review found a staff member who did not attend a book club meeting due to illness but submitted a book report for professional development credit. Further review revealed that three employees held a book club meeting on August 1, 2002; the same book had already been discussed and reported on by eight other employees on July 25, 2002.

**Recommendation:**

11. Revise the PDA agreement to include video training and book clubs.

**Management's Response:** Not Accepted

**The School Based Management Committee**

The School Based Management Committee (SBM) that exists at the Davies School works to promote and improve the overall effectiveness and involvement of the learning community through a shared decision-making process. Individual concerns and other committee findings are reported to the SBM team. Individuals may personally present their concerns at a SBM meeting or may inform a team member. The team discusses these issues and makes recommendations, then the Director/Principal reviews and takes action. The SBM had two positions that were vacant from December 2002 and not filled until September 2003. Most members currently on the SBM have had terms in excess of the two-year limit indicated in the SBM agreement. The agreement does not indicate if an elected member can or cannot serve consecutive terms.

**Recommendation:**

12. Follow the criteria of the School Based Management Committee agreement and address the need for new members and clarify the criteria concerning membership and term limits.

**Management's Response:** Partially Accepted

**Library and Media Services**

The Rhode Island Department of Elementary and Secondary Education has adopted the Information Literacy Framework of the Rhode Island Education Media Association and their observations and recommendations for School Library and Media Centers. The Framework suggests that a school library at the high school level with a student enrollment between 750 and 999 students should have a professional library staff of 1.5 to 2 full-time equivalents and one clerical staff person. Davies is budgeted to accept a maximum of approximately 800 students.

Davies currently has a library staff consisting of only the school's librarian. The library's media collection is to be "Equally accessible to all and meet the requirements of all curricula areas. The initial collection of media materials should contain substantive materials in ample supply to meet the diverse curricula and recreational needs/demands of the school population." Attempts have been made to upgrade the library's media materials through the purchase of geography reference books, student desk atlases, and a new set of World Book Encyclopedias. However, comprehensive reference materials for the technical education portion of the curriculum are limited and needs to be addressed.

Under the Information Literacy Framework, the library media center will be designed and maintained to the spacing needs of the library stating that, "The library media center should be of adequate size and arrangement to accommodate 8 to 12 percent of the student population at one time." The library would have to accommodate in a range from approximately 65 to 95 students to meet this quality indicator. In accessing the amount of computer terminals, the portions of the library devoted to faculty and staff exclusively, and the total area of the library in its present location and configuration, the Davies library would have difficulty meeting the conditions of the Information Literacy Framework.

### **Recommendations**

13. Management should address the informational media needs of the students' technical career education and increase the amount and availability of technical reference materials to better match information to the school's technical curriculum.

**Management's Response:** Partially Accepted

14. The library should be designed in such a way that services and resources are best utilized to accommodate the 8 to 12 percent of the school's student population as recommended by the Information Literacy Framework.

**Management's Response:** Partially Accepted

### **Student Activities Fund**

The School in its fiduciary responsibility maintains a checking account. This account was opened in order to account for monies received for the different activities of the student body and teachers. A list of the activities can be found in the Statement of Cash Receipts and Disbursements. This fund also maintains an interest bearing savings account. The school had difficulty reconciling the checking account on a monthly basis. The main reason for this difficulty was due to the turnover within the finance office. The checking account was reconciled; however, there was no comparison between the cash balance and the balance within the individual accounts. The comparison is necessary to correct any posting errors within the individual accounts. There should also be reconciliation between the cash receipts and disbursements every month.

### **Recommendation**

15. The finance office should perform a monthly reconciliation of the cash balance in the checking account compared to the individual account balances in the Student Activities Fund.

**Management's Response:** Accepted

RHODE ISLAND DEPARTMENT OF EDUCATION  
WILLIAM M. DAVIES, JR. CAREER AND TECHNICAL HIGH SCHOOL  
STUDENT ACTIVITIES FUND  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FISCAL YEARS ENDED JUNE 30, 2002, 2001, 2000, 1999, AND 1998

MEMORANDUM  
ONLY  
TOTAL

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	
<u>CASH RECEIPTS</u>						
CD Interest	102.07	137.61	133.08	161.67	152.69	687.12
Savings Account-Interest	1,505.05	2,661.59	1,874.63	1,165.92	795.76	8,002.95
Transfer to Savings Account				15,000.00		15,000.00
Class of 1983	0.46		0.25			0.71
Class of 1984	0.05		0.03			0.08
Class of 1985	6.88		3.71			10.59
Class of 1987	0.04		0.02			0.06
Class of 1991			44.89			44.89
Class of 1992	35.13		18.93		1,220.00	1,274.06
Class of 1993	99.78		53.75		901.00	1,054.53
Class of 1994	45.32		62.71	840.00		948.03
Class of 1995						0.00
Class of 1996	273.30		163.27			436.57
Class of 1997	61.94		36.57		108.50	207.01
Class of 1998	225.03		121.22		12,712.22	13,058.47
Class of 1999	167.51		119.40	18,800.47	1,675.65	20,763.03
Class of 2000	12.27		15,056.31	8,557.10	1,499.34	25,125.02
Class of 2001		8,194.50	1,720.00	1,430.00	1,235.95	12,580.45
Class of 2002	9,468.27	3,182.50	3,041.80	3,811.25		19,503.82
Class of 2003	3,095.71	1,372.64	1,510.32			5,978.67
Class of 2004	3,724.91	1,560.00				5,284.91
Class of 2005	1,996.07					1,996.07
Yearbook	5,266.15	5,576.39	6,999.01	7,008.62	11,534.12	36,384.29
Jr./Sr. Prom 2002	12,222.00	12,042.00	12,645.00		7,837.00	44,746.00
Basket Ball Ticket Sale	1,291.00	1,067.00	1,727.00	1,227.00	2,020.00	7,332.00
Booster Club	12,224.33	8,142.11	4,513.64	4,622.18	4,313.89	33,816.15
Carpentry			653.00	1,150.00		1,803.00
Carpentry Books				707.66		707.66
Field Trip					481.75	481.75
Llama Farm Field Tri					120.00	120.00
Cosm. Products	737.50					737.50
Cosm. Receipts	1,105.00	3,253.00	4,020.73	1,884.05	1,717.63	11,980.41
Electronics			244.38	295.00	391.20	930.58
Machine Shop	15.00	188.70	456.65	38.00	116.00	814.35
Stephen Thornton Sch. Fund	297.85					297.85
Rosemary Hess Scholarship	523.43					523.43
C. Roberts Marrow				1,956.00		1,956.00
Cheerleaders					1,075.69	1,075.69
CO-OP Reserve	0.55		0.29			0.84
Davies I-Times	15.08		8.12			23.20
Staff Room			37.00			37.00
EIA/ SUMMER WORKSHOP			160.00	125.00	400.00	685.00



RHODE ISLAND DEPARTMENT OF EDUCATION  
WILLIAM M. DAVIES, JR. CAREER AND TECHNICAL HIGH SCHOOL  
STUDENT ACTIVITIES FUND  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FISCAL YEARS ENDED JUNE 30, 2002, 2001, 2000, 1999, AND 1998

MEMORANDUM  
ONLY

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>TOTAL</u>
Eichner Schlorship	7.09		3.82			10.91
Eichner CD SCHLOR						0.00
Gardner Schlor.	0.84		0.45			1.29
Trinity	11.14		6.00			17.14
Closeup 92/CURR	9.02		4.86			13.88
Ralph Buckler Sch Fnd	85.70		46.16			131.86
Sunshine	589.04	1,405.00	4.95			1,998.99
Facilities Rental			1,798.17	2,848.00	3,016.00	7,662.17
Book Fair	2,476.33	2,156.56	3,488.57	3,710.12	2,808.72	14,640.30
Judy Thomas Memorial	0.21		0.11		20.00	20.32
Davies Ski Club	2,335.00	2,234.40	2,652.80	2,965.50	2,759.80	12,947.50
Canteen Vending	41,333.08	33,106.25	36,977.19	37,777.07	29,112.01	178,305.60
Interest/Savings					100.00	100.00
Lost Book Fund	1,491.24	1,732.55	1,080.42	941.68	741.94	5,987.83
Miscellaneous	7,269.12	1,500.50	2,502.97	2,033.53	815.74	14,121.86
Girls Softball Fund	2.20		1.19			3.39
BUS/EDUC/Partnership					100.00	100.00
Sales Tax				104.89	489.89	594.78
Xmas Party		1,173.00	892.00	1,714.00	1,140.00	4,919.00
Voc Ed Dinner	15.25		30.02	342.43		387.70
SPED					5.00	5.00
MISC. Contributions				47.00	5.00	52.00
Brian Freitas Memorial				811.84		811.84
ESL NO.1						0.00
Reading-Seeds						0.00
Mock Trial						0.00
FASS			1,012.00	2,367.00	3,305.47	6,684.47
Teen Center	4,813.73	1,372.85	1,210.48	3,214.22	1,559.75	12,171.03
School VICA	4,207.97	10,662.43	10,116.86	12,836.00	14,083.95	51,907.21
HVAC-VICA	4.07		2.19			6.26
Autobody-VICA	5,191.62	7,758.93	4,470.61	5,099.64	6,920.00	29,440.80
Auto Repair - VICA					290.00	290.00
Carpentry-VICA	0.26	3.00	648.89		204.45	856.60
Clip-VICA	34.97	264.26	500.05	138.00	440.00	1,377.28
Electrical - VICA	5.62		1.32	51.00		57.94
Electronics - VICA	55.57	280.00	160.03		20.00	515.60
GR COMM-VICA			1.57		694.00	695.57
Food Service - VICA	678.15	1,049.04	2,476.54	470.00	240.05	4,913.78
Machine- VICA	66.74	752.00	39.55	64.00	9.00	931.29
Plumbing - VICA	3.19		1.72			4.91
Health Careers - VICA	74.03		2,781.11	1,072.80	2,830.10	6,758.04
VOC-AG VICA	8.24		4.44			12.68
Total Cash Receipts	125,287.10	112,828.81	128,342.75	147,388.64	122,019.26	635,866.56

RHODE ISLAND DEPARTMENT OF EDUCATION  
WILLIAM M. DAVIES, JR. CAREER AND TECHNICAL HIGH SCHOOL  
STUDENT ACTIVITIES FUND  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FISCAL YEARS ENDED JUNE 30, 2002, 2001, 2000, 1999, AND 1998

MEMORANDUM  
ONLY  
TOTAL

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	
<u>CASH DISBURSEMENTS</u>						
Allocation of Interest	4,072.98		1,690.23			5,763.21
Transfer to Savings Account				15,000.00		15,000.00
Class of 1983						0.00
Class of 1984						0.00
Class of 1985						0.00
Class of 1987						0.00
Class of 1991	651.68	400.00				1,051.68
Class of 1992					1,440.25	1,440.25
Class of 1993					1,232.32	1,232.32
Class of 1994				1,240.15		1,240.15
Class of 1995						0.00
Class of 1996		375.94				375.94
Class of 1997			75.00		121.66	196.66
Class of 1998					11,040.62	11,040.62
Class of 1999				17,485.41	1,943.50	19,428.91
Class of 2000			18,968.82	6,787.94	824.77	26,581.53
Class of 2001		9,468.82	991.55	1,766.88	1,335.95	13,563.20
Class of 2002	11,368.98	1,784.37	1,810.61	1,379.15		16,343.11
Class of 2003	2,025.00	1,168.07	399.06			3,592.13
Class of 2004	2,785.82	893.20				3,679.02
Class of 2005	395.76					395.76
2000 Yearbook	7,494.52	5,103.16	8,001.81	397.86	14,963.79	35,961.14
Jr./Sr. Prom 2002	12,260.94	13,052.00	10,731.56	43.30	8,464.08	44,551.88
Basket Ball Ticket Sale	1,495.00	1,531.50	997.50	1,347.50	1,509.35	6,880.85
Booster Club	8,832.75	5,864.48	2,623.82	4,632.61	2,214.43	24,168.09
Carpentry			832.87	32.00		864.87
Carpentry Books						0.00
Field Trip					459.00	459.00
Cosm. Products	795.22	2,844.68				3,639.90
Cosm. Receipts	453.10	156.20	3,307.26	1,633.19	2,040.53	7,590.28
Electronics			48.00		108.48	156.48
Machine Shop	35.75	139.39	209.04	16.58	189.90	590.66
Stephen Thornton Sch. Fund						0.00
C. Roberts Marrow				1,600.00		1,600.00
Cheerleaders					1,116.33	1,116.33
EIA/ SUMMER WORKSHOP				435.60		435.60
Eichner Schlorship				200.00	200.00	400.00
Eichner CD SCHLOR						0.00
Gardner Schlor.						0.00
Trinity						0.00
Ralph Buckler Sch Fnd					250.00	250.00

RHODE ISLAND DEPARTMENT OF EDUCATION  
WILLIAM M. DAVIES, JR. CAREER AND TECHNICAL HIGH SCHOOL  
STUDENT ACTIVITIES FUND  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FISCAL YEARS ENDED JUNE 30, 2002, 2001, 2000, 1999, AND 1998

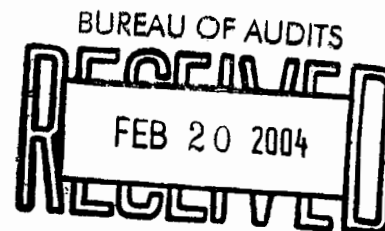
MEMORANDUM  
ONLY  
TOTAL

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	
Sunshine	659.00	1,230.11				1,889.11
Facilities Rental			8,780.17			8,780.17
Book Fair	2,476.33	2,156.56	3,444.93	4,179.96	2,509.68	14,767.46
Judy Thomas Memorial					182.75	182.75
Davies Ski Club	2,602.50	2,423.60	3,085.90	3,085.65	2,650.80	13,848.45
Canteen Vending	29,664.95	49,880.10	30,601.07	32,684.86	27,769.88	170,600.86
Interest/Savings				3.00		3.00
Lost Book Fund		30.00	60.00	165.95	340.84	596.79
Miscellaneous	5,673.30	2,878.08	2,008.23	1,576.92	885.33	13,021.86
Llama Field Trip					207.00	207.00
Girls Softball Fund						0.00
BUS/EDUC/Partnership	198.50			44.00		242.50
Sales Tax				104.89	490.96	595.85
Xmas Party		952.55	1,060.00	1,856.40	1,167.96	5,036.91
Voc Ed Dinner	465.75			360.27	950.00	1,776.02
SPED					20.00	20.00
MISC. Contributions			27.30	376.06		403.36
ESL NO.1					42.00	42.00
Reading-Seeds			42.70		35.00	77.70
Mock Trial			61.10	190.00		251.10
FASS	112.89	172.92	650.00	1,942.74	3,326.90	6,205.45
Teen Center	5,826.02	1,288.90	1,556.27	5,744.35	2,970.18	17,385.72
School VICA	2,780.34	12,339.74	9,874.03	15,269.67	24,837.92	65,101.70
HVAC-VICA						0.00
Autobody-VICA	6,023.16	4,277.35	3,686.85	6,045.92	6,663.35	26,696.63
Auto Repair - VICA				200.12	290.00	490.12
Carpentry-VICA					59.00	59.00
Clip-VICA		325.00	176.00	213.79	235.76	950.55
Electrical - VICA						0.00
Electronics - VICA						0.00
GR COMM-VICA			100.00		570.36	670.36
Food Service - VICA			2,014.33	427.00	2,009.63	4,450.96
Machine- VICA	30.00				80.00	110.00
Health Careers - VICA	53.94	18.00	2,001.00	626.62	2,741.50	5,441.06
Total Cash Disbursements	109,234.18	120,754.72	119,917.01	129,096.34	130,491.76	609,494.01
Cash Receipts Over(Under)						
Cash Disbursements	16,052.92	(7,925.91)	8,425.74	18,292.30	(8,472.50)	26,372.55
Beginning Cash Balance	81,828.63	89,754.54	81,328.80	63,036.50	71,509.00	71,509.00
Ending Cash Balance	97,881.55	81,828.63	89,754.54	81,328.80	63,036.50	97,881.55

WILLIAM M. DAVIES, JR. CAREER AND TECHNICAL HIGH SCHOOL  
50 Jenckes Hill Road, Lincoln, RI 02865  
Tel./TDD (401) 728-1500  
Fax (401) 728-8910

Victoria A. Gailliard  
Director/Principal

February 11, 2004



Mr. Frank J. Collaro, Jr., Acting Chief, Bureau of Audits  
Department of Administration  
One Capitol Hill  
Providence, RI 02908-5889

Re: Performance Audit – January 2004

Contacts: Victoria Gailliard, Director, 728-1500 x301  
Cheryl Carroll, Business Coordinator, 728-1500 x311

Dear Mr. Collaro:

The Administration of the William M. Davies, Jr. Career & Technical High School has reviewed the recommendations from the recent performance audit. Our responses to your recommendations are noted below. Please feel free to contact the above-referenced individuals with any comments that you may have.

RECOMMENDATION #1: The Board of Trustees should comply with RIGL 42-46-7.

RESPONSE: Accepted.

Minutes of the Board meetings subsequent to the date of this report will be forwarded to the office of the Secretary of State.

RECOMMENDATION #2: Comply with Section A-6 of the Department of Administration's Procedural Handbook regarding the notification of changes in authorized agents.

RESPONSE: Accepted.

It is to be noted, however, that the Controller's office has done a complete revision of Authorized Agents. Effective January 1, 2004, new Authorized Agent forms had to be submitted to the Controller's office in order to continue authorized agent status. All authorized agents not renewed have been deleted from the Controller's authorized agent list. Davies has renewed the authorized agent status for the current Director and Business Coordinator.

RECOMMENDATION #3: Comply with the policies and procedures instituted within Section A-22 of the Department of Administration's Procedural Handbook.

RESPONSE: Accepted.

RECOMMENDATION #4: Consider using blanket purchase orders for non-contracted expenditures of a similar nature in accordance with RIGL 37-2.

RESPONSE: Accepted.

Davies Business Office is in the process of working with the Division of Purchases to increase the use of blanket purchase orders for non-contracted, repetitive purchases. Davies concurs that the use of master blankets will assist in gaining efficiency in the purchasing process of certain types of items, particularly those purchased for its technical shop areas.

RECOMMENDATION #5: Submit lease agreements for approval with both the Attorney General and the Director of Administration in accordance with RIGL 42-20-8.

RESPONSE: Accepted.

Davies will submit its Facility Rental Agreement Form to the respective State offices for purposes of approval in both form and substance in accordance with RIGL 42-20-8.

RECOMMENDATION #6: Adhere to the provisions of the various facility use, business partnership, and satellite training center agreements between outside organizations and the school.

RECOMMENDATION #7: Obtain and maintain, accurate, appropriate and timely insurance information on those entities under contract.

RESPONSE: Accepted.

**IKON Office Solutions:** the 1-year agreement was updated and signed in June 2003. This will be revised, as needed, before June 15, 2004. Proof of liability insurance to cover IKON employees while onsite at Davies is on file in Davies Business Office.

**DuPont, Carquest:** These Automotive Careers business partnership and satellite training center agreements are still in the process of being completed by the Auto Careers Department. All former Auto partnerships are no longer in effect. Proof of liability insurance to cover employees from these companies has also been requested.

**CCRI:** CCRI Evening School agreement for use of the facility is up to date.

RECOMMENDATION #8: Institute policies and procedures that seek to establish a system to control the proper stewardship over the State's investment in fixed assets.

RESPONSE: Partially accepted.

All ongoing purchases that meet the threshold for capitalization are captured in the State's F.A.C.T.S. system as per the capitalization policy. Additionally, Davies will be scheduled in the future for a fixed asset inventory with the Office of Accounts and Control-Fixed Asset Unit. At that time, all assets will be tagged and logged as deemed appropriate.

RECOMMENDATION #9: Comply with the requirements of RIGL 42-90-1.

RESPONSE: Accepted.

RECOMMENDATION #10: Management should assure compliance with the policies and procedures instituted by the PDA agreement.

RESPONSE: Partially accepted.

Subsequent to the period under audit, the Human Resource Office revamped the forms clarifying the procedure, data and requirements for the Professional Development Academy. It has always been Davies' policy to return incorrectly completed forms, or withhold credit until the appropriate information is obtained. To that end, the school began using a new database that directly addresses the double credit issue. Further, the combination of the new form and database ensure credit cannot be given without entering the appropriate data. The system has been out of the pilot stage and in full use for six months, works well, and addresses all of the concerns raised during the audit.

RECOMMENDATION #11: Revise the PDA agreement to include video training and book clubs.

RESPONSE: Not accepted.

Davies has always had a policy that any video in the video collection is pre-approved for professional development credit. Further, the new option for videos and books, which was agreed upon with the union last year, indicates that any book or video in the PD resource library can be reported upon by an individual for five credits. The stipulations for the report are on the PD form. No credit is given without meeting these requirements. Further, the faculty is allowed to submit requests for other books and videos to be added to the library.

As to the exceptions: on three occasions, the Human Resource Coordinator granted faculty members' request to hold a second book club meeting or submit a report [prior to the new book report option] if it is due to unforeseen circumstances. For example, it has to be an emergency, preparation must be done for the meeting and there must be other

members in the same situation. More than twice that number of requests has been denied for not meeting those stipulations. No additional action has been or will be taken due to this finding as the concerns have already been addressed.

**RECOMMENDATION #12:** Follow the criteria of the School Based Management Committee agreement and address the need for new members and clarify the criteria concerning membership and term limits.

**RESPONSE:** Partially accepted.

The two committee vacancies (due to resignations) from December 2002 through September 2003 that are referenced in the audit recommendation were intentionally maintained with the concurrence of the Teacher Unions. The School Based Management Committee was working at the time to redefine and align itself with the various strategic planning committees at Davies School. The committee now has a full complement of members as of the fall 2003.

The clarification and/or definition of committee membership, including term limits, must be addressed by way of union negotiations, as the School Based Management Committee is part of the Teacher Union contracts, and therefore is a contractual issue. Consequently, the rules governing the School Based Management Committee will be reviewed as part of the renewal of the current contracts, which expire June 30, 2005.

**RECOMMENDATION #13:** Management should address the informational media needs of the students' technical career education and increase the amount and availability of technical reference materials to better match information to the school's technical curriculum.

**RESPONSE:** Partially accepted.

The school has increased the number of technical magazines and expanded the variety of technical fields covered through new technical periodical subscriptions. Technical teachers have also been poled and asked to recommend reference texts, videos and media of technical relevance to their shop programs. It should be noted that the shop programs maintain several films, videos, filmstrips, software and other media items available for student use in the shop areas.

**RECOMMENDATION #14:** The library should be designed in such a way that services and resources are best utilized to accommodate the 8 to 12 percent of the school's student population as recommended by the Information Literacy Framework.


RESPONSE: Partially accepted.

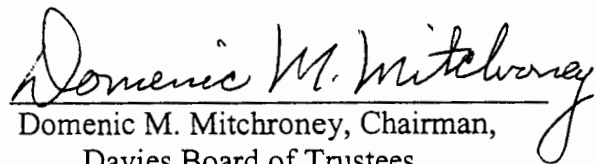
The recommendation will be taken under advisement and the library will be studied to ascertain best means of improving the layout to correspond to the desired recommendations. It should be noted that the area is subject to physical limitations due to the building configuration.

RECOMMENDATION #15: The finance office should perform a monthly reconciliation of the cash balance in the checking account compared to the individual account balances in the Student Activities Fund.

RESPONSE: Accepted.

The finance office is currently working on monthly bank reconciliations and it is expected that the reconciliations will be up to date by June 2004.

  
Victoria A. Gailliard, Director

  
Domenic M. Mitchrone, Chairman,  
Davies Board of Trustees